GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:5060
ANSWERED ON:26.04.2002
RECAPITALISATION OF RRBS
BASUDEB ACHARIA

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have decided to recapitalise 36 Regional Rural Banks during the Tenth Five Year Plan by utilizing Rs.550 crore; and

(b) if so, the names of the 36 RRBs selected for the recapitalisation process alongwith the proposed increase in share capital?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a) & (b) : The recapitalisation process of Regional Rural Banks (RRBs) was initiated in 1994-95. Till March, 2000, 187 RRBs have been provided recapitalisation support. Of these 187 RRBs, 158 RRBs stand fully recapitalised and 29 RRBs are partially recapitalised. Out of 196 RRBs, 7 RRBs have not been provided recapitalisation support so far.Two RRBs do not require recapitalisation support. Due to the budgetary constraints, the process of recapitalisation of RRBs could not be continued. In view of the financial performance of RRBs it is expected that the RRBs will be able to stand on their own in the near future.